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COOPERATIVE EXTENSION WORK IN AGRICULTURE AND HOME ECONOMICS

U. S. Department of Agriculture
and State Agricultural Colleges
Cooperating.

Extension Service, Office of
Cooperative Extension Work,
Washington, D. C.

COORDINATING PRODUCTION PROGRAM WITH MARKETING ACTIVITIES.*

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The time has come when we can no longer think of production on an extensive scale without thinking in terms of marketing. It is presumed that in assigning this subject for discussion, it was intended that the discussion be from our standpoint as extension workers, and we deal with our relations to production and to marketing as well.

The time was in the earlier history of the activities of the Department of Agriculture and its related branches, that our sole program was one of production. Production now can be only a part of our work, and the farmer has come to the point where he needs, in a greater way, to be intelligently led in activities of marketing. He really knows how to produce better than he knows how to market.

The tendency in thinking about this subject would be rather to reverse the arrangement and treat it from the angle of coordinating marketing activities around a production program, but I shall try to treat it as it now stands. One of the principles for which our department, and particularly our extension service, has stood for many years past has been diversification. Those of us who face field conditions, as reflected in the farmer, too often confront the question "Why do you advocate diversification and show me no outlet for marketing?" Often, in our zeal for diversification, we have encouraged special crop development along certain lines and then found that the farmer or farmers had produced a crop for which we had not simultaneously developed an outlet. After all, we get nowhere in encouraging production by the farmer unless it will be converted into a money measure. Of course, this does not include such production as is necessary for consumption on the farm. In my judgment the time has passed or has never arrived when we can feel that we have accomplished anything by simply handing to the farmer, or group of farmers, the names of certain dealers in certain cities who handle certain products, which he has grown or is about to grow. We find this means very little to the farmer and gets him nowhere. It is my judgment that when we start a farmer or a group of farmers on production of crops of any kind which are to be marketed, we should begin at once to make a complete study of all points involved in getting these products into the market, including proper growing, harvesting, grading, packing, and selling, and be able to know the dependable dealers who are the leading handlers of such products, and the best markets to which such products should move. There is often a tendency with county

*A paper presented at the conference of directors and supervisory officials of agricultural extension work of 14 Southern States held at Birmingham, Ala., January 8 and 9, 1924.

agents and also farmers that when they start to diversify they start a multiplicity of special crops. I believe that this is a great mistake, that the farmer should start only a few at most, and then select only those best adapted to his conditions.

The problems of our larger crops, such as cotton and tobacco, are different from those of the smaller crops. However, there are quite important questions on these crops through which there is a direct relationship between the production and the marketing. We all know that, particularly in recent years and since the cooperative marketing associations have been formed, there are many things that have been learned and which farmers are beginning to appreciate that they thought little of in years past. Those of us who have lived in the South know that only a few years ago we drove our bale of cotton to the platform, and it was simply sold as a bale of cotton. We knew nothing about its relative value from a staple or grade standpoint. Since we have come to appreciate these facts and have learned some of the important points along these lines, it has resulted in our getting better seed and intelligently producing a better product. No more striking example can be mentioned, I think, than one which has recently come to light in some of the large tobacco-selling cooperative associations where it has been shown that certain types of tobacco are not selling so well, and are not so much in demand in the last two years as formerly, while at the same time other types of leaf are more desirable and bring better prices. The farmers have been informed of this, largely through the county agents.

It might be mentioned here, as a side remark, that one result of the organization of large cooperative associations has been the formation of local units which meet at least monthly in given communities. Through these local units a much more effective educational work can be done in regard to production than has been found possible before. We now are able to work with groups, whereas our work used to be limited to individuals.

The facts mentioned above in connection with cotton and tobacco are even more striking when applied to our smaller crops. One of our troubles in introducing smaller or more specialized crops, has been that we failed to colonize such production and had it too widely separated. For instance, if we should start out with special crops like peanuts, sweet or Irish potatoes, fruits, cucumbers, or cantaloupes, it would always be advisable to colonize or localize enough production of any one of these crops in order that the quantity produced would be sufficient to make cooperative shipments where necessary, and also be of a volume sufficiently large to interest the trade. We know that the trade usually gets into the habit of looking to certain sources for its supply, just as we get into the habit of going to a certain corner grocery for our provisions. We are all quite familiar with the farmer who drives into the small country town with two to five porkers on his wagon, and finding no market there, abuses the county agent for talking hog raising to him. However, it is rapidly being realized that when 100 farmers come to town with a few porkers on each wagon, there is something doing in the market because they can ship together to the great centers. This same fact applies to practically all the crops that we can think of, which by working together, we can cause to take on considerable proportion.

Another very important point is to encourage the farmers in these communities or colonies to take a pride in their product and try to produce something really good. They should be encouraged, where practicable, to sell their products under a brand and take as much pride in the integrity of their brand as they would in their own name. I have found that this usually appeals to farmers and makes them take a greater interest in production. In practically every case the shipping of branded products proves profitable to the farmer, because such product always demand better prices on the market. Passing on the grade of a car of produce, should be as serious a matter as endorsing a note.

I might mention another very important point concerning as common a crop as corn, which we have long overlooked. There are several milling plants in our State, all located in favorable grain counties, and of the hundreds of cars of corn and other grain that they mill annually, practically none are bought within the borders of our State, but come principally from distant Western States. There are two reasons for this: first, every farmer produces a different type of corn, and there is no community standardization of the product. Instead of 50 or 100 farmers in a given community selecting one common type desirable for milling, and producing this crop commercially, each farmer has a tendency to continue producing a special type of corn which he boasts that his grandfather used to plant and which does not conform in type to that of any of his neighbors. Therefore, in the fall when he finds he has a surplus of corn his only outlet is the small sawmill nearby to which 50 others are trying to sell.

The second point of disadvantage which keeps a milling plant from using local corn is the fact that there is no milling in-transit freight rate to be applied to nearby corn, while there is such a rate applicable to distant sources. These obstacles, though mentioned in connection with corn, are likewise true in connection with many of our grain crops. Most of our farmers are yet very backward in such matters. However, improvement is going on, and we are to be largely instrumental in correcting the present evils existing in connection with these crops, and which largely affect our production program.

Let us consider such special crops as the Irish potato, or other crops of that nature. There would be no more effective way of learning improved production than by seeing these crops come on the market. When we see our products penalized on the market we begin to learn some of the defects in our production. I would venture to say that a county agent would learn more in one day about production by visiting the large produce sections in our leading cities, than he would learn in many months in the field. We shall never learn some points about production until we find out the many drawbacks in marketing. It is very hard for the farmer in many cases to realize the importance of purity of type, and many other very vital points concerning quality. We are all familiar with the old practice of a farmer, or group of farmers, consigning to a commission merchant or broker, a carload of product and getting disappointing returns, or even being billed back for enough money to finish paying expenses, but without receiving any explanation. He is only

hurt and his information is not increased, but if some one who cares about his problems can show him that his product was bad and how it was bad, then instead of getting the idea that everybody at the other end is crooked he will begin to appreciate the importance of a good product, and at the same time will know much better how to produce it.

It is just as necessary for a product to have an identity and standing in the market as it is for an individual or firm.

This subject is capable of almost unlimited discussion, but my time is limited. However, before closing I will state that many of the counties in our section of the South are putting on fundamental production programs. Many have followed the Turner County plan, which has been given great publicity and which has considerable merit wherever such a plan can fit. Notwithstanding the fact that the growing of cotton is alluring to the average farmer at this time, we perhaps have the best foundation for a program of diversified production that we have ever had in our State.

I noticed that the industrial agent of the Louisville and Nashville Railroad reports that twice as many cars are used in the South to move other crops as are used for cotton.

The cow is a very important factor, and creameries are being established all over the State to take care of her product. Carload shipments of hogs and chickens are increasing at a rapid rate. We are trying hard to get farmers to adopt a permanent program instead of changing every year, and our business men are helping us. It has been a bad practice of many farmers to jump from one crop to another before becoming proficient in the production of any. As a rule, it takes at least three years for a farmer to learn how to produce and prepare for market any special product. There are very few crops that the average farmer really knows how to grow, harvest, and properly prepare for market.

One can not think of the economic situation in this country and take into consideration the rapid growth of our population and the movement of the population from farms to cities, without realizing that the feeding of the people of the United States is to become a more and more serious problem. The South is fast becoming the garden of the nation, and will have to supply a large part of the nation's food. Therefore, I believe that from now on, the larger part of this responsibility must and will rest on the county agent, assisted by marketing specialists and other associated workers. He must study, understand, and intelligently lead his people in solving production problems and must at the same time have a good knowledge of marketing. I believe further that the district agent's force, which should include a market man, should act as a clearing house for information and assistance to help the county agent meet all the demands, both in production and marketing, that are being or will be made upon him by his constituents. This, of course, refers to cooperative buying of supplies as well as to selling of products.

In connection with the foregoing subject, I have been requested to give some conclusions based on the marketing that has been conducted in our dis-

trict of South Carolina. As considerable observations have been made of marketing activities of special crops in that territory, some outstanding fundamentals as we have seen them are given below:-

- (1) Use a brand or trade mark. Make it stand for something.
- (2) Let the trade appreciate getting your goods, and furnish a steady supply.
- (3) Do not try to sell to everybody. Have regular customers.
- (4) Do not put your product into competition against itself. Your customers will soon quit you.
- (5) If any irregularity occurs, as it sometimes will, be ready to make adjustments. Deal only with square customers and be as square as you expect them to be.
- (6) Always try to favor your customer, especially when he is in a pinch. He likewise will find you in a pinch sometimes.
- (7) Remember that it is not always best to drive your customer to the highest cent when goods are scarce. He will catch you with a flooded market sooner or later.
- (8) Advertise your brand and live up to your advertisement.

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